



State of Utah  
School & Institutional  
Trust Lands Administration

Jon M. Huntsman, Jr.  
Governor

Kevin S. Carter  
Director

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December 23, 2008

Incoming  
C0150018  
cc: Steve D.

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Ken Fleck or Chick Semborski  
Energy West Mining Company  
15 North Main Street  
P.O. Box 301  
Huntington, UT 84528

RE: Proposed 2009 Coal Exploration  
SITLA Coal Lease ML 48258

Gentlemen:

The Trust Lands Administration is in receipt of your Notice of Intention to Conduct Minor Coal Exploration upon Utah State Coal lease ML 48258, dated November 2008. I understand that you propose to drill and up to six small diameter exploration core holes upon lands described within the northern part of the leasehold to better define the nature and extent of the underground coal reserves.

State coal lease ML 48258 is in good standing with Energy West Mining Company as the designated operator of the leasehold. Your notification described above satisfies the need to notify the Trust Lands Administration and you may proceed with the operations upon first obtaining all necessary surface use permits required by the Manti-La Sal National Forest, as owner of the surface estate, and such Coal Exploration permit as may be required from the Utah Division of Oil, Gas & Mining in accordance with SMCRA and the Utah Coal Regulatory Program.

I note that you have a pending application with the Utah Division of Oil, Gas & Mining for a Coal exploration permit. Please contact Dale Harber at the Manti-La Sal National Forest, in Price, to initiate the necessary surface use permits. Also, please contact Sue Wiler in the BLM Price Field Office at least 48 hours in advance both of the commencement and the plugging of each of the drill Holes. Mrs. Wiler will be the field representative of the Trust Lands Administration in this matter, since the drilling will take place upon a Coal-exchange tract which will revert to federal ownership in the future.

Please note that Surety bond #103908996 with Travelers Casualty and Surety Company of America as Surety in the Principal sum of \$50,000.00 remains on file with the Trust Lands Administration to apply toward reclamation bonding for the proposed 2009 drilling campaign upon the lands within ML 48258.

Please contact me if you have any questions.

Sincerely,

John T. Blake  
Trust Land Specialist

CC: James D. Smith (DOGM); Dale Harber (MLSNF); Sue Wiler (BLM)